



USDA BROILER MARKET NEWS REPORT

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NATIONAL BROILER MARKET AT-A-GLANCE



Majority prices were higher in the West, unchanged to higher elsewhere. Trade sentiment was steady to firm in the West, steady in all other areas. Retail and food service demand was light to moderate, best for fast food. Due to the blackout in the Northeast last week, market conditions were cautiously being assessed and spoiled product was being refilled. In the Detroit area, movement was also hindered by lack of potable water which affected food service and some retail businesses; deliveries were experiencing difficulties also. Supplies were overall sufficient to handle trade needs. In the parts structure, trading was light to fair. Wings were balanced to tight and moving, and the remaining parts were sufficient. In production areas, live supplies were moderate at desirable to heavy, mostly desirable weights.

Final report of prices negotiated for trucklot sales of ready-to-cook broiler/fryers delivered to first receivers at major market areas week of 08/18/03-08/22/03 (cents per lb)

| AREAS | US GRADE A (Includes branded product) | | COMPOSITE | |
|-------------------------------------|--|------------|-----------|------------|
| | MAJORITY | WTD AVG | LOADS | WTD AVG |
| Delivered to First Receivers | | | | |
| Bos/New Eng | 60.00-62.00 | 60.82 | 17 | 61.64 |
| Chicago | 54.00-57.00 | 57.13 | 41 | 59.56 |
| Ohio Cities | TFEWR | — | — | 61.10 |
| Denver | 73.50 | 73.50 | 16 | 73.20 |
| Detroit | 56.00 | 56.29 | 7 | 62.13 |
| Los Angeles | 74.00 | 71.32 | 68 | 68.55 |
| New York | 58.00-61.00 | 58.83 | 23 | 59.52 |
| Philadelphia | 58.00-60.00 | 58.50 | 10 | 59.52 |
| Pittsburgh | 58.00-61.00 | 58.73 | 11 | 63.47 |
| St. Louis | 56.75-57.00 | 56.40 | 24 | 56.56 |
| San Francisco | 74.50 | 72.77 | 32 | 73.60 |
| Composite Weighted Average | | | | |

| | | | | |
|-------|----------|----------------|----------|----------|
| Loads | 08/18/03 | Change/Last Wk | 08/11/03 | 08/19/02 |
| 623 | 63.60 | 0.50 | 63.10 | 55.55 |

WOG BROILERS (without giblets) - prices paid per lb delv'd to first receivers in trucklot and less than trucklot quantities.

| REGIONS | MAJORITY | WTD AVG | LOADS |
|---------|-------------|---------|-------|
| East | 60.00-62.00 | 61.66 | 32 |
| Central | 58.00-64.50 | 62.04 | 69 |
| West | 58.50-70.00 | 67.29 | 47 |

Southeast Area FOB Dock Equivalent

| | | | |
|-------------|-------------|-------|----|
| Mississippi | 67.50-69.00 | 68.19 | 82 |
|-------------|-------------|-------|----|

GEORGIA F.O.B. DOCK PRICES Georgia f.o.b. dock quoted price on broilers/fryers for this week's trading is 68.50 cents based on ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds.

| LOADS | RANGE | MONDAY FINAL WTD AVG FOB DOCK OR EQUIVALENT |
|-------|-------------|--|
| 1,140 | 54.00-70.50 | 66.60 |

The Georgia f.o.b. dock confirmed final weighted average prices on ice packed parts:

| ITEM | WTD AVG (CENTS PER POUND) | VOLUME (000 POUNDS) |
|------------------|------------------------------|------------------------|
| LINE RUN TENDERS | 205.50 | 1,450 |
| BREASTS - B/S | 210.50 | 5,310 |
| BREASTS - WHOLE | 106.50 | 1,953 |
| THIGH MEAT - B/S | 82.50 | 1,013 |
| LEG QUARTERS | 32.00 | 9,236 |
| WINGS | 77.00 | 3,055 |

THIS INFORMATION IS SUPPLIED BY THE GEORGIA DEPARTMENT OF AGRICULTURE'S POULTRY MARKET NEWS SERVICE.

NORTHEAST REGION BROILER/FRYER Trucklot buying activity on ready-to-cook whole broiler/fryers was about fair following the weekend as dealers cautiously assessed the market following the power outage. Offerings of the 2.5 pound birds were in good balance and the larger sizes were sufficient. Retail and distributive movement was fair to moderate, best for refill orders. The market tone was steady. In the parts complex, all cuts were adequate for current needs.

SOUTHERN REGION BROILER/FRYERS Trade sentiment was mostly steady. Demand following the weekend was fair to moderate, best where featured. Supplies of all sizes were usually sufficient to handle trade needs. In the parts structure, trading was fair. Supplies of all parts were at least adequate or available with mixed interest. In production areas, live supplies were moderate at mixed, but mostly desirable weights.

WESTERN REGION BROILER/FRYERS Final majority prices were 1 cent higher than last Mondays' levels. Trading reported for this week deliveries at unchanged to higher prices. Offerings were generally adequate. Buyers' needs had improved. Retailer demand was fairly good overall. Dealers reported fairly good weekend clearances. Reported parts trading for this weeks' deliveries: leg quarters bulk 28.5-31.5 and 4/10s 31-31.5, thigh meat high 60s, leg meat 71-76, wing 74-75, breast bone-in 94-100 and boneless 183-186. The Los Angeles negotiated WOG weighted averages was 60.83 up .9 from last week with the volume reported unchanged at 33 loads.

MIDWEST REGION BROILER/FRYER Final majority delivered prices this week mostly unchanged, instances higher into St. Louis from last Monday's final; Ohio cities TFEWR. Whole broiler/fryer market tone was steady. Whole bird offerings were in balance. Retail and food service demand was mostly light to moderate. Floor stocks were adequate. Weights desirable. The power outage in Cleveland and Detroit has abated. Refilling of the pipelines has begun, although at a slow pace, where spoilage was of concern. A major point in the Detroit metro now disrupting product flow is the lack of potable water. This is creating major headaches for food service and a few retail centers. Deliveries continued sporadic and disorderly in Detroit. Parts trade sentiment was firm on wings, other parts steady.

DELMARVA BROILER/FRYERS Movement of ready-to-cook whole birds was noted as light to moderate as dealers assess market conditions following the power outage that hampered parts of the Northeast. Offerings were generally sufficient for trade needs. Live supplies were moderate; weights were desirable to heavy. Processor schedules were moderate. Less than trucklot asking prices were unchanged at 59 to 68 cents. Trade sentiment was steady. In the parts complex, wings were in good balance and well cleared. Other items were generally adequate as power is restored.

*BROILER/FRYER CURRENT NEGOTIATED PRICES FOR IMMEDIATE DELIVERY INCLUDES MOSTLY MULTIPLE-DROP SHIPMENTS OF BRANDED AND WING TAGGED TO NEW YORK CITY FROM DELMARVA.

BRANDED U.S. GRADE A

| | |
|------------------|-------|
| RANGE | 57-69 |
| WEIGHTED AVERAGE | 61.56 |
| NO. OF BOXES | 5,583 |

*8 of 8 plants reporting.

NORTHEAST BROILER/FRYER PARTS Trucklot buying activity was light to fair entering the week as dealers cautiously assessed the market following the power outage. Offerings of all cuts were sufficient for current needs. Movement through retail and distributive channels was fair to moderate, with best draw centering around refill orders where spoilage was a factor. The market tone was mostly steady.

ICE PACKED BROILER/FRYER PARTS, DELIVERED TO FIRST RECEIVERS IN POOL TRUCKLOT AND TRUCKLOT QUANTITIES, CENTS PER POUND

| ITEM | NEGOTIATED | CURRENT TRADING | WTD AVG | VOLUME /LBS |
|----------------------------|------------|-----------------|---------|-------------|
| BREAST - B/S | | 180-185 | 184.73 | 356,640 |
| TENDERLOINS | | 145 | 146.36 | 56,920 |
| BREAST - WITH RIBS | | 87-88 | 92.71 | 139,880 |
| BREAST - LINE RUN | | 87 | 88.06 | 135,760 |
| LEGS | | 37-38 | 36.81 | 325,720 |
| LEG QUARTERS (BULK) | | 27-28 | 28.35 | 393,630 |
| DRUMSTICKS | | 33-34 | 40.19 | 124,120 |
| THIGHS | | 26-27 | 38.14 | 50,080 |
| B/S THIGHS | | 69-70 | 73.03 | 72,440 |
| WINGS (WHOLE) | | 68-69 | 74.86 | 254,480 |
| BACKS AND NECKS (STRIPPED) | | 10-12 | 11.96 | 32,440 |
| LIVERS (5 POUND TUBS) | | 25-30 | 32.33 | 13,560 |
| GIZZARDS (HEARTS) | | 35-40 | 43.65 | 21,360 |

INCLUDES NEW YORK CITY METROPOLITAN AREA, NORTHERN NEW JERSEY, MASSACHUSETTS, CONNECTICUT, RHODE ISLAND, AND PENNSYLVANIA (NORTHEAST OF HARRISBURG).

* TODAY'S NEGOTIATED SALES AS OF 11:30 A.M.

** WEIGHTED AVERAGE PRICE OF ALL GRADES AND BRANDS OF PRODUCT SHIPPED, OR TO BE SHIPPED AS OF 1:30 P.M.

ARKANSAS BROILER/FRYER PARTS F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | LBS (000) | RANGE | MAJORITY WT. | AVG |
|---------------------|---------------------|---------------|--------------|--------|
| BREAST - B/S | 1,781 | 158.00-188.00 | 176-180 | 178.29 |
| TENDERLOINS | 279 | 142.00-211.00 | 142-145 | 160.09 |
| BREAST - WITH RIBS | 245 | 82.00-101.00 | 85-87 | 87.73 |
| FRONT HALVES | 214 | 72.00-80.00 | 73-74 | 73.46 |
| LEGS | NO TRADING REPORTED | | | |
| LEG QUARTERS (BULK) | 306 | 23.00-26.00 | 24-25 | 24.69 |
| LEG QUARTERS (4/10) | 2,135 | 26.00-27.00 | - | 26.86 |
| WINGS (WHOLE) | 206 | 64.00-78.00 | 70-71 | 70.30 |
| DRUMSTICKS | NO TRADING REPORTED | | | |
| THIGHS | 1,166 | 18.00-24.00 | 19 | 19.30 |

ESTIMATED SLAUGHTER OF BROILER-FRYERS (IN THOUSANDS)

| | ESTIMATE | ACTUAL | AVG WTS | ACTUAL | AVG WTS |
|----------|-----------|--------|---------|-----------|---------|
| | 08/18 | 08/14 | 08/14 | 08/11 | 08/07 |
| ALA | 4,141 | 4,056 | 5.08 | 3,944 | 5.07 |
| ARK | 5,392 | 5,225 | 4.89 | 5,182 | 4.88 |
| DELMARVA | 2,281 | 2,348 | 5.35 | 2,337 | 5.39 |
| KY-LA-TN | 2,000 | 1,947 | 4.81 | 1,971 | 4.82 |
| MISS | 3,066 | 3,070 | 5.30 | 3,071 | 5.28 |
| NC | 2,621 | 2,442 | 5.78 | 2,600 | 5.91 |
| TEXAS | 2,482 | 2,499 | 4.95 | 2,461 | 4.80 |
| TOTAL | 21,983 | 21,587 | 5.13 | 21,566 | 5.13 |
| MON | 21,983(A) | | | 21,566(A) | |

(A) Weekly cumulative for states listed above.

Broiler-fryer slaughter under federal inspection for 18-Aug 2003 is estimated to be 32,889,000 up 1.63 percent from a week ago and up 3.38 percent from a year ago.

(Last week 32,362,000; last year 31,813,000)

SOUTHERN STATES BROILER/FRYER PARTS F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | POUNDS (000) | RANGE | MAJORITY | WTD AVG |
|---------------------|-------------------|---------------|----------|---------|
| BREAST - B/S | 871 | 174.00-240.00 | 174-179 | 177.50 |
| TENDERLOINS | 240 | 147.00-215.00 | 147-150 | 156.55 |
| BREAST - LINE RUN | 98 | 94.00-116.00 | 95-97 | 99.16 |
| FRONT HALVES | TOO FEW TO REPORT | | | |
| LEGS | 103 | 30.00-50.00 | 30-33 | 33.88 |
| LEG QUARTERS (BULK) | 2,806 | 27.00-29.00 | 28 | 27.96 |
| LEG QUARTERS (4/10) | 1,130 | 28.00-34.00 | 29-30 | 29.24 |
| WINGS (WHOLE) | 265 | 70.00-79.00 | - | 76.91 |
| WINGS (CUT) | 488 | 80.00-88.00 | 80-85 | 83.41 |
| DRUMSTICKS | TOO FEW TO REPORT | | | |
| THIGHS | TOO FEW TO REPORT | | | |
| B/S THIGHS | TOO FEW TO REPORT | | | |

WHOLE BODY INDEX BASED ON SOUTHERN STATES PARTS TRADING FOR AUGUST 18, 2003 — F.O.B. DOCK.

| | TODAY'S RANGE | 5-DAY AVERAGE |
|--|---------------|---------------|
| | 53.50-59.00 | 56.52 |
| | | 56.00 |

MIDWEST REGION BROILER/FRYER ICE-PACKED POOL TRUCKLOT AND TRUCKLOT QUANTITIES DELIVERED TO: IL, IN, IA, KS, MI, MN MO, NE, ND, OH, SD, AND WI WEEK OF 18-AUG-2003 TO 22-AUG-2003 CENTS PER POUND

| | Price Per Lb. | Mostly |
|----------------------------|-----------------|-----------------|
| BREAST - B/S | 178.00 - 195.00 | 178.00 - 188.00 |
| BREAST - LINE RUN | 88.00 - 105.00 | 88.00 - 97.00 |
| LEGS | 36.00 - 46.00 | - |
| LEG QUARTERS (BULK) | 25.00 - 30.00 | 26.00 - 28.00 |
| DRUMSTICKS | 30.00 - 46.00 | - |
| THIGHS | 27.00 - 41.00 | - |
| WINGS (WHOLE) | 62.00 - 78.00 | 66.00 - 71.00 |
| BACKS AND NECKS (STRIPPED) | 12.00 - 20.00 | - |
| LIVERS | 30.00 - 41.00 | - |
| GIZZARDS (HEARTS) | 39.00 - 45.00 | - |

SOUTHERN CALIFORNIA (L.A. AREA) PROCESSED POULTRY, DELIVERED TO RESTAURANTS AND INSTITUTIONS

| | RANGE |
|----------------------------------|-------|
| WOGS 2# & UP - WHOLE | 86 |
| WOGS 2# & UP - CUT UP 8&9 PIECES | 89-93 |

FROZEN HENS 5# & UP

FROZEN DUCKS

FROZEN SQUABS

589

DELIVERED TO RETAILERS IN SOUTHERN CALIFORNIA (L.A. AREA)

| | |
|------------------|-------|
| FRESH FRYERS | 92-98 |
| ROASTERS 4# & UP | 80-95 |

HENS UNDER 5#

HENS OVER 5#

63

DUCKS

RABBITS-WHOLE

RABBITS-CUT UP

SAN FRANCISCO PROCESSED POULTRY

DELIVERED TO RESTAURANTS AND INSTITUTIONS

| | | |
|------------------|----------|---------|
| FRESH FRYERS | ICE PACK | 100-103 |
| | DRY PACK | 107-109 |
| ROASTERS 4# & UP | ICE PACK | 104-105 |
| | DRY PACK | 113 |
| HENS OVER 5# | DRY PACK | |
| | ICE PACK | 91-98 |
| DUCKS | | 155-166 |

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

15-AUG-2003

CHICKEN — PRICES — VOLUME —
(Cents per Pound)

| FAT CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
|-------------|--------|-------|-------|--------|
| 15% OR LESS | | | | |
| RANGE | - | - | - | - |
| WTD AVERAGE | | | | |

CHICKEN WITH SKIN ADDED — PRICES — VOLUME —
(Cents per Pound)

| FAT CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
|-------------|-------------|-------------|-----------|---------|
| 15% OR LESS | | | | |
| RANGE | 15.25-19.50 | - | 784,000 | 784,000 |
| WTD AVERAGE | 18.15 | | | |
| 15-20% | | | | |
| RANGE | 16.50-17.00 | 11.50-18.00 | 1,832,000 | 312,000 |
| WTD AVERAGE | 16.92 | 13.43 | | |
| 20% OR MORE | | | | |
| RANGE | - | 11.00 | 41,000 | - |
| WTD AVERAGE | | 11.00 | | |

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

SOUTHEAST HEAVY LIVE HEN Majority prices were unchanged when compared to a week earlier. Demand was fair to moderate for the at least adequate offerings. Finished product supplies were about adequate and clearing. Processing schedules were mostly normal. The undertone was steady.

HEAVY TYPE HENS (7 POUNDS AND UP) *FINAL PRICE, CENTS PER LB., GENERALLY FOR SLAUGHTER

| THE WEEK OF 18-AUG-03. | RANGE | MAJORITY | WTD AVG |
|--------------------------|-------------------|----------|---------|
| AT FARM BUYER LOADING | 6-9.25 | 8.25-8.5 | 8.35 |
| AT FARM PRODUCER LOADING | TOO FEW TO REPORT | | |
| FOB PLANT | TOO FEW TO REPORT | | |

*WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

15-AUG-2003

CHICKEN — PRICES — VOLUME —
(Cents per Pound)

| FAT CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
|-------------|--------|-------|-------|--------|
| 15% OR LESS | | | | |
| RANGE | - | - | - | - |
| WTD AVERAGE | | | | |

CHICKEN, WITH SKIN ADDED — PRICES — VOLUME —
(Cents per Pound)

| FAT CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
|-------------|-------------|-------------|-----------|-----------|
| 15% OR LESS | | | | |
| RANGE | 14.50-19.00 | 16.00-17.00 | 161,600 | - |
| WTD AVERAGE | 16.75 | 16.50 | | |
| 15-20% | | | | |
| RANGE | 14.00-17.50 | 11.50-16.00 | 2,529,600 | 1,165,600 |
| WTD AVERAGE | 16.16 | 13.55 | | |
| 20% OR MORE | | | | |
| RANGE | - | - | - | - |
| WTD AVERAGE | | | | |

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

SOUTH CENTRAL HEAVY LIVE HEN Prices were generally unchanged compared to the past week. Demand was moderate for fully adequate offerings of spent hens. Finished sales were moderate. Schedules were normal. Trade sentiment was generally steady.

HEAVY TYPE HENS (7 POUNDS AND UP) *
FINAL PRICE, CENTS PER LB., GENERALLY FOR SLAUGHTER THE WEEK OF 18-AUG-03

| | RANGE CENTS/LB. | MAJORITY | WTD AVG |
|-----------------------|-----------------|-----------|---------|
| AT FARM BUYER LOADING | 6-11.25 | 8.25-8.75 | 8.61 |

*WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

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